



**Billing Code 4210-67**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-5823-D-01]**

**Redelegation of Authority within the  
Office of General Counsel**

**AGENCY:** Office of General Counsel, HUD.

**ACTION:** Notice of Redelegation of Authority.

**SUMMARY:** Through this notice, the General Counsel authorizes Office of General Counsel (OGC) Regional Counsel to redelegate to staff within their operating jurisdictions the authority to accept service of summonses, subpoenas and other judicial process for the foreclosure of tax and other liens on HUD-owned single family properties that HUD acquires through the payment of mortgage insurance claims.

**DATES:** *Effective Date:* October 7, 2015.

**FOR FURTHER INFORMATION CONTACT:** John B. Shumway, Assistant General Counsel, Administrative Law Division, Office of General Counsel, Department of Housing and Urban Development, 451 7<sup>th</sup> Street, SW, Room 9262, telephone number 202-402-5190. (This is not a toll-free number). Individuals with speech or hearing impairments may access this number through TTY by calling 1-800-877-8339.

**SUPPLEMENTARY INFORMATION:** Elsewhere in today's Federal Register, HUD is publishing an interpretive rule that discusses HUD's longstanding interpretation of the phrase "court of competent jurisdiction" in the "sue and be sued" clause contained in section 1, Title I of

the National Housing Act (NHA) (12 U.S.C. 1702). More specifically, this provision authorizes the Secretary to sue and be sued in any court of competent jurisdiction. HUD's interpretive rule clarifies the meaning of a court of competent jurisdiction, and is based on the Quiet Title Act, (Pub. L. 92-562, 86 Stat. 1176) (28 U.S.C. 2409a and 28 U.S.C. 1346). The purpose of HUD's interpretive rule is to assist the Federal Housing Administration (FHA) efficiently manage its Real Estate Owned (REO) inventory and ensure prompt payment for taxes and other fees and assessments. HUD's interpretive rule concludes that when an action is brought to foreclose a lien on a property in which the government owns, the Federal District Court where the property is situated (or the Federal District Court for the District of Columbia) is the court of competent jurisdiction pursuant to the Quiet Title Act and HUD's interpretation of section 1, Title I of the National Housing Act. HUD's interpretive rule does not apply to situations where HUD does not hold title to the single family property, but holds only a mortgage or other lien interest. In those situations, lienholders would follow the procedures contained at 28 U.S.C. 2410.

On July 18, 2011 at 76 FR 42463, HUD published a Consolidated Redlegation of Authority to the Office of General Counsel. Section B.1. of the redelegation delegates to the Associate General Counsel for Litigation in Headquarters and to the ten Regional Counsel the authority to accept service of all summonses, subpoenas, and other judicial, administrative, or legislative processes directed to the Secretary or an employee of HUD Headquarters in an official capacity. This section also authorized the Associate General Counsel for Litigation to redelegate this authority within the Office of Litigation and the Regional Counsel to redelegate this authority to the Associate Regional Counsel for Housing Finance and Programs in their jurisdictions. The July 18, 2011, Redlegation, however, prohibited this authority from being further redelegated.

To effectuate this interpretive rule, however, the General Counsel has determined to revise Section B.1. of the Consolidated Redefinition of Authority to the Office of General Counsel. Specifically, the General Counsel has determined that authority to accept service of summonses, subpoenas, and other judicial, administrative, or legislative processes should be expanded to ensure a timely response to litigation to enforce liens on REO properties to protect and secure HUD's interest in the property. To this end, this Redefinition of Authority authorizes Regional Counsel to redelegate authority to accept service of all summonses, subpoenas, and other judicial, administrative, or legislative processes directed to the Secretary in an official capacity to staff within their operating jurisdictions.

As a result, today's Redefinition of Authority revises Section B.1. of the July 18, 2011, Consolidated Redefinition of Authority to the Office of General Counsel, to read as follows:

1. To the Associate General Counsel for Litigation and to Regional Counsel, the authority to accept, on behalf of the Secretary, service of all summonses, subpoenas, and other judicial, administrative, or legislative processes directed to HUD or the Secretary or to a HUD employee in an official capacity. The Associate General Counsel for Litigation may redelegate this authority within the Office of Litigation and the Regional Counsel may redelegate this authority within their operating jurisdictions.

With the exception of the revisions to Section B.1., this redefinition of authority does not revoke or supersede any previous redelegations of authority included in the July 18, 2011, Consolidated Redefinition of Authority to the Office of General Counsel.

**Authority:** Section 7(d) Department of Housing and Urban Development Act (42 U.S.C. 3535(d)).

Dated: October 7, 2015

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Helen R. Kanovsky  
General Counsel

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